

FSC-125-A		7/12/96			
SUBJECT: Wholesale Partners Program - July-December 1996 Category III Requirement Guidelines					
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<u>X</u>	RBM	<u>X</u>	Reg.Mil./DF Mgr.	<u>   </u>	MIL
<u>X</u>	ROM	<u>X</u>	AE	<u>   </u>	DF
				<u>   </u>	REP

As announced previously in FSC-91-A, dated 5/15/96, we have added the following requirement to the 2nd Half 1996 Wholesale Partners Program to qualify for Category III payment:

"Retail Store(s) owned/operated or affiliated with participating account, must allow RJR to permanently display, merchandise, and promote its product adequately. Participation in RJR Retail Marketing Plan agreements at Levels 1, 2, or 3 satisfies this requirement."

In order to maintain consistency in our application of this requirement, it is important that RJR's definition of the requirement be consistent for all accounts. Please adhere to the following definition guidelines to insure fair and equitable treatment for all accounts:

- 1) The Category III requirement applies only to the volume the Direct Account shipped to Retail Stores owned/operated or affiliated with the participating direct account. For direct chains that supply only their owned/operated stores, the requirement applies to 100% of their volume. For direct accounts that supply both their owned/operated retail stores and other non-owned/operated or affiliated retail stores, the Category III requirement applies only to the percentage of volume shipped to the owned/operated retail stores and does not apply to the percentage of volume shipped to non-owned/operated or affiliated retail stores.
- 2) This requirement applies to accounts on a "ship-to" location basis.

Modifications to our payment system will be made in order for you to perform any necessary adjustments to the final Partners payment. These modifications will be communicated to you under separate cover as soon as completed.

Program Contact: Julie Huneycutt, extension #7754

R. J. REYNOLDS TOBACCO COMPANY

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To: Duszynski, R, Myers, Keith, McMahon, Todd, Ridge, Robert, Burrows, Robert, Westenberger, R,  
Keeney, David, Jurgensen, Kurt T., Leonard, John M., Kight, Earl, Callaghan, Stephen W., Macleod, Stephen,  
Mclean, James J., Eckardt, Diane C., McPartlan, Amy  
From: 1610 - Buffalo ROU (BRZEZIE)  
Posted: 7/15/96 9:46  
Opened: 7/15/96 9:46  
Subject: FWRD: FSC-125-A Wholesale Partners Prog

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